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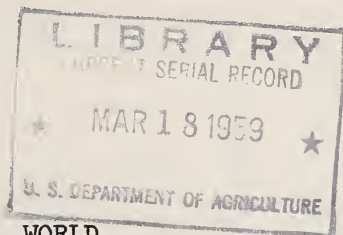
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LIVESTOCK AND MEATS
FIM 12-58
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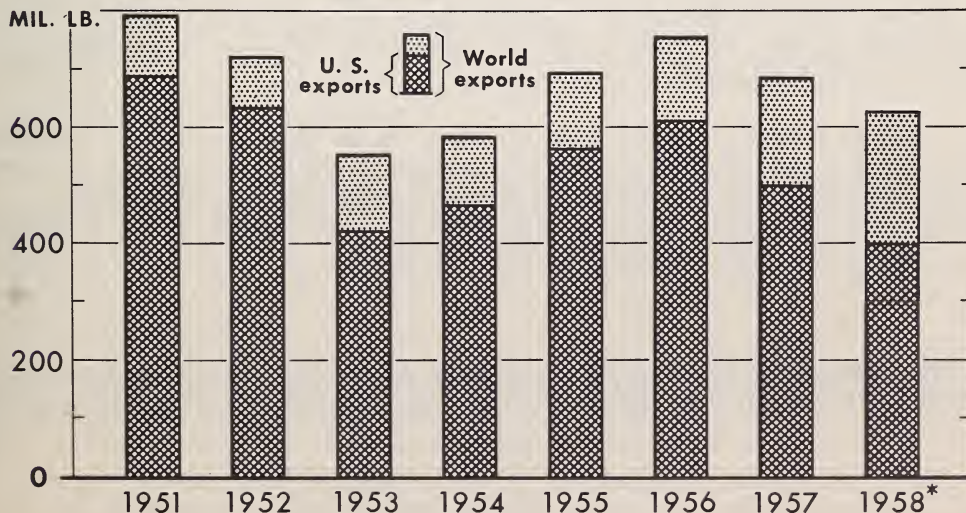
LARD, TALLOW AND GREASES: WORLD

PRODUCTION AND TRADE TRENDS

The United States presently accounts for about 28 percent of the lard and slightly over half of the tallow and greases produced in the world and is by far the major exporter of these products. In 1957, the United States accounted for 73 percent of the world trade in these commodities. The export situation in 1958, however, has changed somewhat.

U.S. exports of lard through September of this year were 281 million pounds, down 28 percent. Tallow and greases exports during the same period decreased by 25 percent to 828 million pounds.

Other Countries Export More Lard As U. S. Sales Decline



* PARTLY FORECAST

LARD

World Trade and Production

World production of lard and unrendered hog fat (in terms of lard) in 1958 will be slightly less than the 9.05 billion pounds produced in 1957. The decrease is mainly a reflection of a 20 percent decrease in U.S. output. West Germany increased its production moderately while in other major producers, such as France and the Netherlands, production remained steady. Canadian production increased moderately.

The increased production in West Germany resulted in a 20 percent decrease in German imports. France and the Netherlands increased their share of the United Kingdom's lard imports.

U.S. Production and Trade

With lower hog slaughter and lard yield per hog, domestic production in 1958 is estimated at 2.47 billion pounds, a slight decrease from 1957. Domestic utilization of lard in shortening, which has become increasingly important in recent years, will depend upon the price relationship between lard and soybean oil. The United States is the largest producer and exporter of lard.

In recent years, U.S. exports have constituted about three-fourths of the world lard trade. In 1958, the U.S. share is expected to decrease to 65 percent of the world market. At present, Cuba is the most important dollar market for U.S. lard. U.S. exports to this market are expected to total almost 185 million pounds, compared with 179 million in 1957. In January-September 1958 approximately 49 percent of U.S. lard exports went to Cuba, compared with 35 percent in January-September 1957.

During the first 9 months of 1958 shipments to the United Kingdom and West Germany, other major U.S. lard markets, declined substantially. There have been no shipments of lard to Yugoslavia under Public Law 480 programs this year.

Due to strong price competition from European lard, the U.S. share of the United Kingdom market declined from 65 percent in 1957 to 53 percent during the first 9 months of 1958.

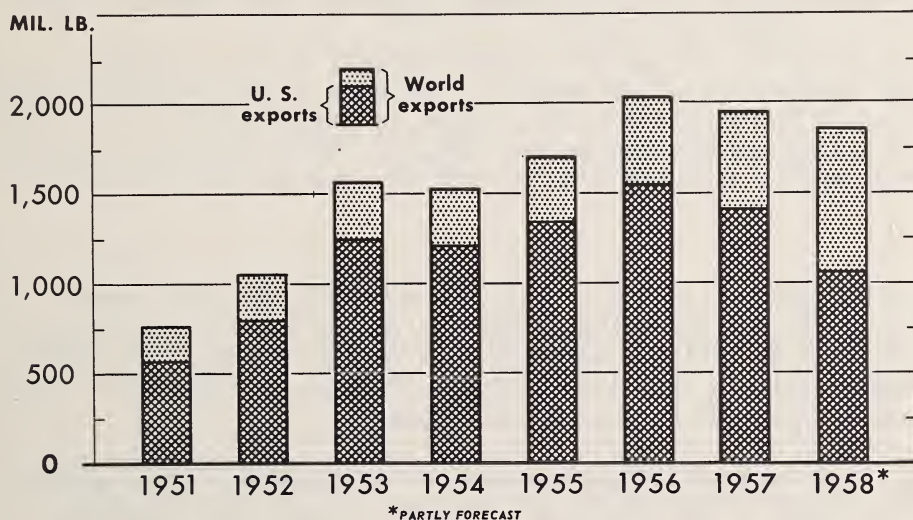
Whereas reduced domestic production of lard in Mexico resulted in increased imports from the United States, Brazil, with a 7 percent increase in production, has sharply decreased its lard imports from the United States. Competitive fats and oils (mainly vegetable oils) continue to be a strong factor in the U.S. lard trade in foreign markets.

Outlook

World lard production in 1959 will increase slightly, mainly because of a 10 percent increase in U.S. production. U.S. exports are expected to rise

in 1959 because of increased availability and lower prices. In 1960, a further increase in U.S. lard output is expected, following a rise in 1959 hog production. Again, lower prices of U.S. lard should encourage increased exports in 1960.

Foreign Tallow Exports Reach Peak As U. S. Exports Drop to 6-Year Low



USDA

FAS-NEG. 1710

TALLOW AND GREASES

World Production and Trade

World production of tallow and greases in 1958 is expected to be 6.25 billion pounds, a slight decrease from the 6.45 billion in 1957. The decrease resulted mainly from a drop in U.S. production. Canada, Brazil, and Australia increased their production moderately.

World exports of tallow and greases in 1958 are expected to total 1.85 billion pounds or 5 percent under 1957. U.S. exports are expected to drop by 25 percent. Other major producing countries, such as Canada, New Zealand, and Australia probably will increase their exports somewhat, but not nearly enough to offset the U.S. decline.

Imports into Japan from all sources declined in the first 9 months of 1958. Australia continues to press for a larger share of this market now largely held by the United States. New Zealand expects to increase its tallow trade with Japan as the result of a recent trade agreement with that country.

U.S. Production and Trade

The United States produces over half of the world's tallow. During the past decade, production has trended upward with a tendency to level off in recent years.

U.S. use of inedible tallow and greases in soap making continues to fall. This is being offset somewhat by a rise in the use of tallow in animal feeds and in making lubricants, plastics and synthetic rubber. Tallow prices in the United States remained fairly stable during 1958.

As a result of the drop in 1958 shipments, the U.S. share in the world's tallow and greases market is expected to drop from 72 percent in 1957 to 57 percent in 1958. For the first 9 months of 1958, U.S. exports of tallow and greases were running about 25 percent below the same period in 1957.

Specifically, shipments of greases to West Germany were off sharply, due to increased hog slaughter in that country. The drop in shipments to European countries largely represents a basic decline in demand mostly due to displacement of tallow and greases in soap making. Italy, however, was the exception and imports from the U.S. to that country increased moderately.

Outlook

World tallow production in 1959 is expected to remain at 1958 levels. Grease production will rise in the United States as a result of increased hog slaughter, while U.S. tallow production will remain steady. U.S. exports of tallow and greases in 1959 is expected to increase. Competition from Australia and New Zealand will continue strong.

Table 1.--Lard and tallow and greases: World exports, United States exports, and United States production, average 1935-39, and annual 1952-58

Year	Lard					
	: Estimated:		: U.S. as per-	: U.S.	: U.S. exports	
	: world :	: U.S. :	: centage of :	: pro-	: as percent	
	: exports :	: exports :	: world exports:	: duction :	: of production	
	: Mil. lb.	: Mil. lb.:	Percent	: Mil. lb.:	Percent	
Ave. 1935-39:	360	: 166 :	46	: 1,630 :	10	
1952...	720	: 634 :	88	: 2,881 :	22	
1953...	552	: 423 :	77	: 2,355 :	18	
1954...	584	: 465 :	80	: 2,330 :	20	
1955...	691	: 562 :	81	: 2,660 :	21	
1956...	755	: 611 :	81	: 2,761 :	22	
1957 <u>1/</u> :	685	: 501 :	73	: 2,560 :	20	
1958 <u>1/</u> :	625	: 400 :	64	: 2,475 :	16	
Tallow and Greases						
Ave. 1935-39:	490	: 21 :	4	: 1,098 :	2	
1952...	1,040	: 785 :	75	: 2,501 :	31	
1953...	1,560	: 1,241 :	80	: 2,923 :	42	
1954...	1,510	: 1,205 :	80	: 2,940 :	41	
1955...	1,700	: 1,337 :	79	: 3,170 :	42	
1956...	2,020	: 1,543 :	76	: 3,398 :	45	
1957 <u>1/</u> :	1,950	: 1,405 :	72	: 3,337 :	42	
1958 <u>1/</u> :	1,850	: 1,050 :	57	: 3,175 :	33	

1/ Preliminary.

Table 2.--Lard (and unrendered pork fat in terms of lard): Estimated production, world and specified countries, average 1951-55, annual 1956, 1957 and 1958

Continent and country	Average 1951-55	1956	1957 ^{1/}	1958 ^{1/}
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
North America:				
Canada.....	151	155	144	173
Mexico.....	88	116	123	123
United States ^{2/}	2,618	2,761	2,560	2,475
South America:				
Argentina.....	39	56	68	54
Brazil.....	389	405	421	464
Chile.....	16	21	21	22
Colombia.....	33	26	30	30
Europe:				
Austria.....	105	109	112	116
Belgium-Luxembourg.....	44	51	53	25
Denmark ^{2/}	46	48	52	52
France.....	237	335	325	325
Germany, West.....	462	530	558	586
Italy.....	281	345	345	310
Netherlands.....	134	152	157	159
Portugal.....	60	62	65	68
Spain.....	150	160	165	170
Sweden.....	22	18	21	25
United Kingdom ^{2/}	13	22	23	23
Yugoslavia.....	^{3/} 171	189	178	235
World total ^{4/}	8,240	9,070	9,050	8,850

^{1/} Preliminary.

^{2/} Lard only.

^{3/} Less than a 5-year average.

^{4/} Includes estimates from the large production of Communist countries and for minor producing countries.

Table 3.--Lard, Including Rendered Pork Fat: U. S. exports by country of destination, average 1951-55, annual 1956 and 1957, and January-September 1957 and 1958

Continent and country	Average :		1957 1/	January-September	
	1951-55 :	1956 :		1957 1/ :	1958 1/
	1,000	1,000	1,000	1,000	1,000
	pounds	pounds	pounds	pounds	pounds
North America:					
Canada.....	6,497	17,726	26,611	19,125	3,810
Mexico.....	31,823	14,786	11,782	8,654	10,128
Panama Canal Zone.....	967	941	373	299	114
Costa Rica.....	7,363	5,693	2,022	1,607	1,500
El Salvador.....	4,299	3,613	3,082	2,385	2,130
Guatemala.....	8,668	7,932	4,853	2,607	2,222
Panama.....	6,560	4,424	4,893	3,473	5,037
Cuba.....	157,427	163,078	178,791	133,811	136,856
Dominican Republic.....	2/ 352	19	22	12	15
Haiti.....	6,725	6,322	6,982	4,876	5,254
Netherlands Antilles.....	1,066	441	220	81	133
Other.....	1,518	2,210	2,360	1,817	893
Total.....	233,265	227,185	241,991	178,747	168,092
South America:					
Bolivia.....	3,755	7,159	4,681	3,140	693
Brazil.....	2,088	10,417	6,000	6,000	--
Colombia.....	3,359	1,007	936	936	--
Ecuador.....	5,494	4	4	4	--
Peru.....	12,521	6,673	2,770	2,438	362
Venezuela.....	3,640	604	991	784	284
Other.....	134	1,763	38	39	63
Total.....	30,991	27,627	15,420	13,341	1,402
Europe:					
Austria.....	23,579	26,807	7,514	4,318	1,100
Belgium-Luxembourg.....	1,005	711	348	334	22
France.....	1,104	--	--	--	140
Germany, West.....	55,978	70,210	17,779	12,384	1,771
Greece.....	2/ 14	24	10	7	2
Italy.....	593	162	2	2	3
Netherlands.....	33,114	4,303	9	--	--
Switzerland.....	1,725	386	73	73	--
United Kingdom.....	124,685	161,591	149,529	115,304	97,040
Yugoslavia.....	38,431	88,496	62,392	60,299	8,863
Other.....	4,825	478	318	318	735
Total.....	285,053	353,168	237,974	193,039	109,676
Africa.....	100	43	110	110	--
Asia.....	5,197	3,371	5,767	1,950	1,546
Oceania.....	30	--	--	4	--
Other.....	--	--	--	326	461
World total.....	554,636	611,394	501,262	387,517	281,177

1/ Preliminary. 2/ Less than a 5-year average.

Table 4.--Lard: Exports from specified countries and estimated world total, average 1951-55 and annual 1956 and 1957

Continent and country	Average 1951-55	1956	1957 ^{1/}
	Million pounds	Million pounds	Million pounds
North America:			
Canada.....	^{2/} 6	^{3/}	--
United States.....	555	611	501
South America:			
Argentina.....	^{4/} 14	^{4/} 23	^{4/} 32
Brazil.....	^{4/}	^{4/}	^{4/}
Europe:			
Belgium-Luxembourg.....	21	24	36
Denmark.....	29	25	33
France.....	13	43	58
Hungary.....	^{4/}	^{4/}	^{4/}
Italy.....	4	^{3/}	^{3/}
Netherlands.....	^{5/} 15	^{5/} 12	^{5/} 17
Sweden.....	2	2	6
Yugoslavia.....	3	3	3
Other:			
China.....	^{2/} 2	^{4/}	^{4/}
New Zealand.....	1	1	1
World total ^{6/}	668	755	685

^{1/} Preliminary.

^{2/} Less than a 5-year average.

^{3/} Less than 500,000 pounds.

^{4/} Not available.

^{5/} Excludes re-exports.

^{6/} Includes estimates for countries for which data are not available and for minor exporting countries.

Table 5.--Lard: Imports into specified countries
average 1951-55, and annual 1956-57

Continent and country	Average 1951-55	1956	1957 ^{1/}
	Million <u>pounds</u>	Million <u>pounds</u>	Million <u>pounds</u>
North America:			
Canada.....	6	15	32
Mexico.....	24	15	^{2/} 12
Costa Rica.....	11	^{3/} 10	^{3/} 10
Guatemala.....	10	13	11
Cuba.....	167	166	179
Dominican Republic.....	1	^{2/} ^{4/}	^{2/} ^{4/}
Haiti.....	7	7	^{2/} 7
Panama, Republic of....	7	5	^{2/} 5
South America:			
Bolivia.....	8	7	^{2/} 5
Brazil.....	14	10	^{2/} 6
Colombia.....	6	^{2/} 1	^{2/} 1
Ecuador.....	8	^{2/} ^{4/}	^{2/} ^{4/}
Peru.....	19	34	36
Venezuela.....	5	1	^{2/} 1
Europe:			
Austria.....	42	29	23
Belgium-Luxembourg.....	18	23	26
Finland.....	^{5/} 1	^{5/}	^{5/}
France.....	1	^{5/}	^{5/}
Germany, West.....	92	96	66
Italy.....	3	12	4
Netherlands.....	7	5	11
Switzerland.....	4	1	^{2/} ^{4/}
United Kingdom.....	134	222	244
Yugoslavia.....	79	89	^{2/} 62
Asia:			
Japan.....	3	15	^{2/} ^{4/}
Malaya.....	3	2	2

^{1/} Preliminary. ^{2/} U. S. exports. ^{3/} Revised. ^{4/} Less than 500,000 pounds.
^{5/} Not available.

Table 6.--Tallow and Greases: Estimated production, world and specified countries, average 1951-55 and annual 1956-58

Continent and country	Average 1951-55	1956	1957 <u>1/</u>	1958 <u>1/</u>
	Million pounds	Million pounds	Million pounds	Million pounds
North America:				
Canada.....	126	174	190	205
Mexico.....	64	52	58	61
United States.....	2,787	3,398	3,337	3,175
South America:				
Argentina.....	374	392	412	391
Brazil.....	98	130	111	132
Chile.....	28	31	32	34
Colombia.....	71	88	88	88
Uruguay.....	88	67	70	75
Europe:				
Belgium-Luxembourg.....	31	35	35	44
Denmark.....	43	51	57	63
France.....	190	193	183	188
Germany, West.....	83	95	100	109
Italy.....	51	60	60	65
Netherlands.....	50	55	60	65
Sweden.....	18	20	20	20
United Kingdom.....	163	213	240	260
Asia:				
Iran.....	39	50	50	51
Turkey.....	47	48	50	50
Japan.....	18	21	20	20
Pakistan.....	56	56	55	55
Union of South Africa.....	27	33	52	54
Australia.....	243	<u>2/</u> 296	<u>2/</u> 332	360
New Zealand.....	103	129	129	129
World total <u>3/</u>	5,355	6,410	6,450	6,250

1/ Preliminary. 2/ Revised. 3/ Includes estimates for countries for which data are not available and for minor producing countries.

Table 7.--Inedible Tallow and Greases ^{1/}: U. S. exports, by country of destination, average 1951-55, annual 1956 and 1957, January-September 1957 and 1958

Continent and country	Average 1951-55	1956	1957 ^{2/}	January-September 1957 ^{2/}	1958 ^{2/}
	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
North America:					
Canada.....	23,782	26,604	20,400	13,293	13,621
Mexico.....	43,659	58,906	40,147	21,896	42,659
El Salvador.....	3,842	3,947	2,103	1,630	585
Guatemala.....	3,693	5,075	5,856	4,294	7,040
Cuba.....	30,356	39,176	27,624	18,968	23,952
Dominican Republic.....	3,709	3,843	3,928	2,619	2,914
Other.....	6,623	6,418	7,516	5,133	6,236
Total.....	115,664	143,969	107,574	67,833	97,007
South America:					
Chile.....	6,097	4,931	157	157	232
Colombia.....	15,140	12,274	18,069	11,077	12,870
Ecuador.....	6,124	9,940	10,332	7,650	6,202
Peru.....	9,769	10,907	8,876	8,451	5,194
Other.....	4,574	8,354	7,527	5,067	5,256
Total.....	41,704	46,406	44,961	32,402	29,754
Europe:					
Austria.....	6,897	7,670	4,427	3,647	2,915
Belgium-Luxembourg.....	61,071	71,656	31,977	28,487	14,965
France.....	10,913	4,533	9,024	8,952	142
Germany, West.....	87,515	141,393	71,572	62,529	22,951
Ireland.....	6,126	5,925	865	754	79
Italy.....	137,080	271,919	239,600	168,104	196,361
Netherlands.....	139,534	238,625	232,856	186,953	107,397
Norway.....	3,346	3,779	1,176	4	785
Spain.....	^{3/} 1,741	31,553	35,423	35,091	731
Switzerland.....	33,485	28,900	15,863	13,230	5,963
United Kingdom.....	10,973	17,924	7,099	6,047	3,653
Poland.....	^{4/} 5,694	16,017	68,013	61,355	33,005
Yugoslavia.....	19,053	24,117	26,732	24,547	22,783
Other.....	8,838	23,185	^{5/} 60,255	56,400	4,354
Total.....	532,266	887,196	804,882	656,100	416,084
Africa:					
Egypt.....	34,408	49,499	66,977	48,812	43,720
Rhodesias-Nyasaland.....	4,740	8,211	2,218	2,095	42
Union of South Africa.....	52,211	67,155	40,607	32,365	19,987
Other.....	4,593	7,726	5,198	3,719	10,102
Total.....	95,952	132,591	115,000	86,991	73,851
Asia:					
China, Taiwan.....	15,434	27,297	22,239	16,892	13,807
Japan.....	161,025	211,152	223,132	185,806	161,650
Korea.....	9,283	18,007	15,046	9,583	10,030
Philippines.....	11,104	13,906	14,127	10,121	8,903
Other.....	12,942	21,151	^{6/} 43,866	40,537	17,168
Total.....	209,788	291,513	318,410	262,939	211,558
Total World.....	^{7/} 995,376	1,501,675	1,390,827	1,106,265	828,254

^{1/} Includes: Inedible tallow, inedible animal greases and fats, inedible animal oils, n.e.s. neatsfoot oil and stocks, oleic acid or red oil, and stearic acid.

^{2/} Preliminary. ^{3/} 1955 only. ^{4/} Less than a 5-year average. ^{5/} Includes 25.1 million pounds to U.S.S.R. ^{6/} Includes 34.9 million pounds to Turkey.

^{7/} Includes 2,000 pounds to Australia. ^{8/} Includes a small quantity final destination not specified.

Table 8.--Tallow and Greases: Exports from specified countries,
and estimated world total, average 1951-55
and annual 1956-57

Continent and country	Average 1951-55	1956	1957 ^{1/}
	Million pounds	Million pounds	Million pounds
North America:			
Canada.....	23	51	61
United States.....	1,024	1,543	1,405
South America:			
Argentina.....	7	25	44
Brazil.....	<u>2/</u>	<u>2/</u>	<u>2/</u>
Uruguay.....	<u>3/</u> 4	7	<u>2/</u>
Europe:			
Belgium-Luxembourg.....	31	35	34
Denmark.....	11	29	43
France.....	7	9	14
Germany, West.....	7	16	26
Netherlands.....	11	28	8
Sweden.....	3	29	28
Switzerland.....	3	1	<u>2/</u>
Oceania:			
Australia.....	67	<u>4/</u> 118	<u>4/</u> 133
New Zealand.....	94	<u>4/</u> 95	<u>4/</u> 111
World total <u>5/</u>	1,315	2,020	1,950

^{1/} Preliminary.

^{2/} Not available.

^{3/} Less than a 5-year average.

^{4/} Revised.

^{5/} Includes estimates for countries for which data are not available and for minor exporting countries. Also, exports of certain European countries probably include some re-exports of tallow.

Table 9.--Tallow and Greases: Imports into specified countries,
average 1951-55 and annual 1956-57

Continent and country	Average 1951-55	1956	1957 ^{1/}
	Million pounds	Million pounds	Million pounds
North America:			
Canada.....	24	27	22
Mexico.....	49	73	39
United States.....	3	3	4
Guatemala.....	6	8	8
Cuba.....	32	43	31
Dominican Republic.....	4	4	4
South America:			
Colombia.....	14	^{2/} 12	^{2/} 18
Chile.....	8	14	11
Ecuador.....	6	^{2/} 10	^{2/} 10
Peru.....	11	13	13
Venezuela.....	3	6	^{2/} 7
Europe:			
Austria.....	13	10	7
Belgium-Luxembourg.....	35	^{2/} 72	70
Denmark.....	4	6	5
Finland.....	6	4	4
France.....	19	9	^{2/} 9
Germany, West.....	124	175	145
Ireland.....	13	13	6
Italy.....	158	^{2/} 272	252
Netherlands.....	110	171	212
Norway.....	4	4	3
Spain.....	11	40	58
Sweden.....	5	15	17
Switzerland.....	22	29	^{2/} 16
United Kingdom.....	105	158	148
Yugoslavia.....	25	25	^{2/} 27
Other:			
Ceylon.....	2	1	5
China, Taiwan..... ^{2/}	15	^{2/} 27	^{2/} 22
Egypt.....	39	55	89
India.....	14	10	12
Japan.....	180	233	273
Malaya Fed. of.....	6	11	15
Philippines, Rep. of..... ^{2/}	11	^{2/} 14	^{2/} 14
Turkey..... ^{3/}	3	^{2/} 10	44
Rhodesia and Nyasaland....	--	16	17
Union of So. Africa.....	61	86	44

^{1/} Preliminary. ^{2/} U.S. exports. ^{3/} Less than 500,000 pounds.